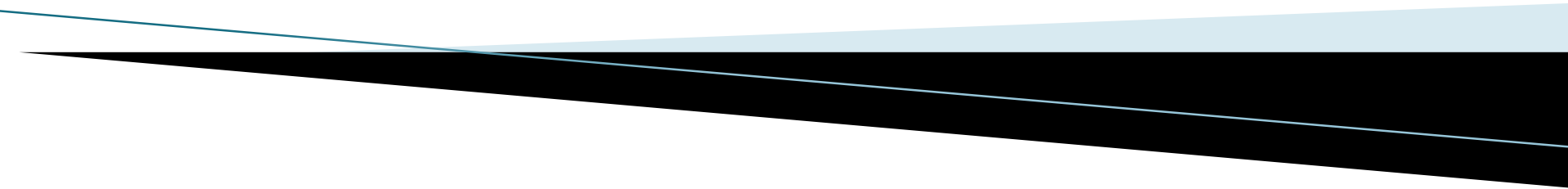
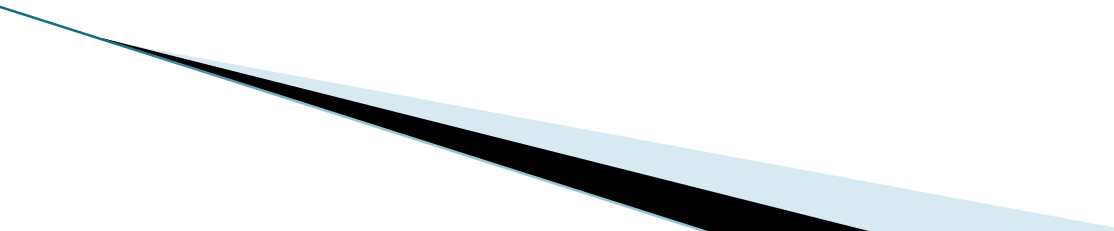
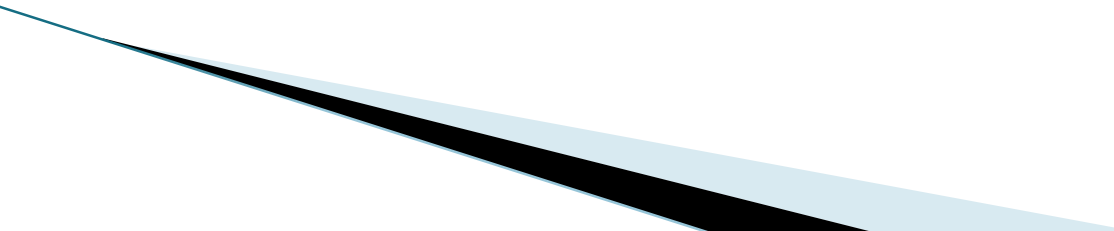


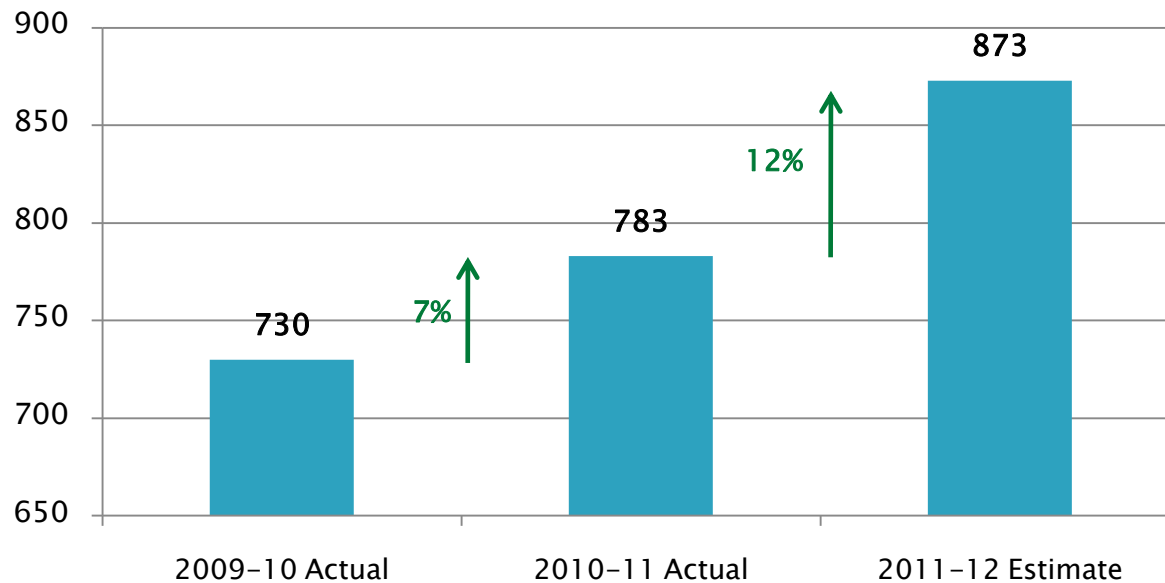
2011-12



- ▶ Request activities to submit budget requests and annual reports
 - ▶ Estimate income
 - ▶ Consider inflation over the past year
 - ▶ Propose tentative maintenance increase based upon inflation rate
 - ▶ Reflect upon balance of funds available for increasing number of maintenances, recurrent costs, non-recurrent costs, and capital grants
 - ▶ Assign BCC members to budget review groups
- 

- ▶ Review budget requests in Groups
 - Compare requests with previous year expenses
 - Review requested budget in terms of
 - actual inflation rate vs. rate used.
 - Compare previous activity level with proposed activity level.
 - Check for significant increases in line items.
 - Meet with activities if clarification is required.
 - ▶ Each group presents results and discusses at full BCC meetings.
 - ▶ Agree on surplus/deficit, if required.
 - ▶ Adjust budgets, if required.
 - ▶ Submit proposal to FAMC.
 - ▶ Conduct General Information Meeting for Feedback.
 - ▶ Finalization of budget and publication on AVNet.
- 

Income Estimate



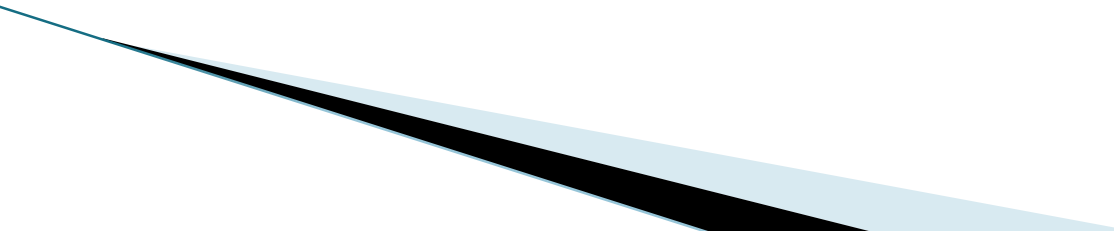
Income increased by 7% last year.

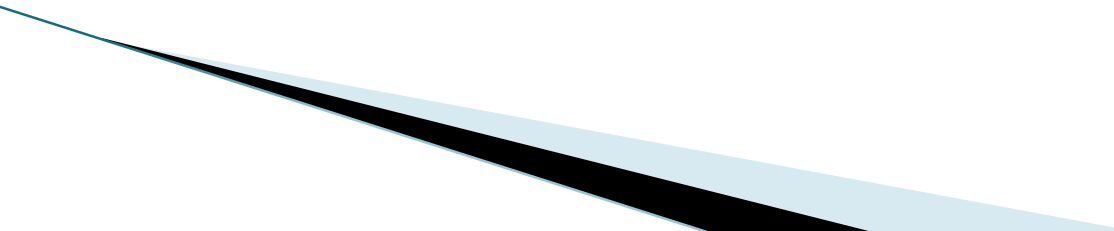
We estimate that it will increase by 12% this year.

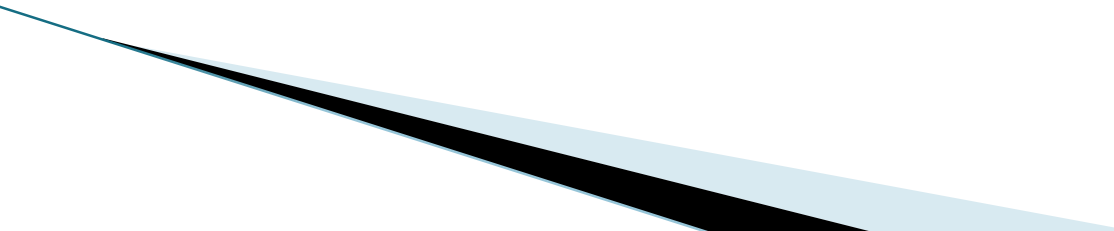
The reasons for the expected increase are:

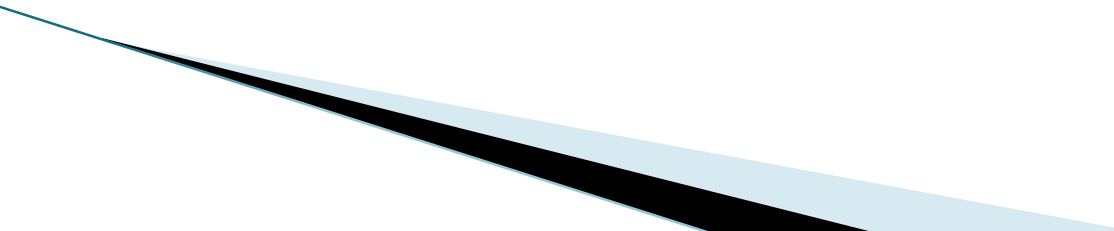
- ▶ The GOI is expected to increase support by Rs. 16 lakhs (21% increase).
- ▶ Financial Services is expected to increase support by Rs. 24 lakhs (18% increase)
- ▶ We expect other sources of income to increase by about the same percentage as last year.

- ▶ Our income estimate is Rs. 873 lakhs. In general, this should be our maximum expense target to create a balanced budget.

 - ▶ The budget is divided into four main categories:
 - Maintenances
 - Recurring Expenses
 - Non-Recurring Expenses
 - Capital Grants
- 

- ▶ We start with the maintenance budget because it has the largest impact on Aurovilians working in City Services and it is the single largest budget category.
 - ▶ Two main criteria are used when we consider changing the amount of maintenance for Aurovilians working in City Services.
 - Inflation
 - Availability of funds
- 

- ▶ Inflation estimates vary depending upon the index, the source and the period. In general inflation in in 2009–10 using the Consumer Price Index was around 13.5%.
- 

- ▶ Increasing maintenances by 13.5% and keeping all other budgets the same as in 2010–11 would have resulted in a Rs. 34 lakh deficit with implementation beginning in July.
 - ▶ This would have been a Rs. 51 lakhs deficit if implemented at the beginning of the financial year.
 - ▶ We therefore lowered the maintenance increase to 9.6%.
- 

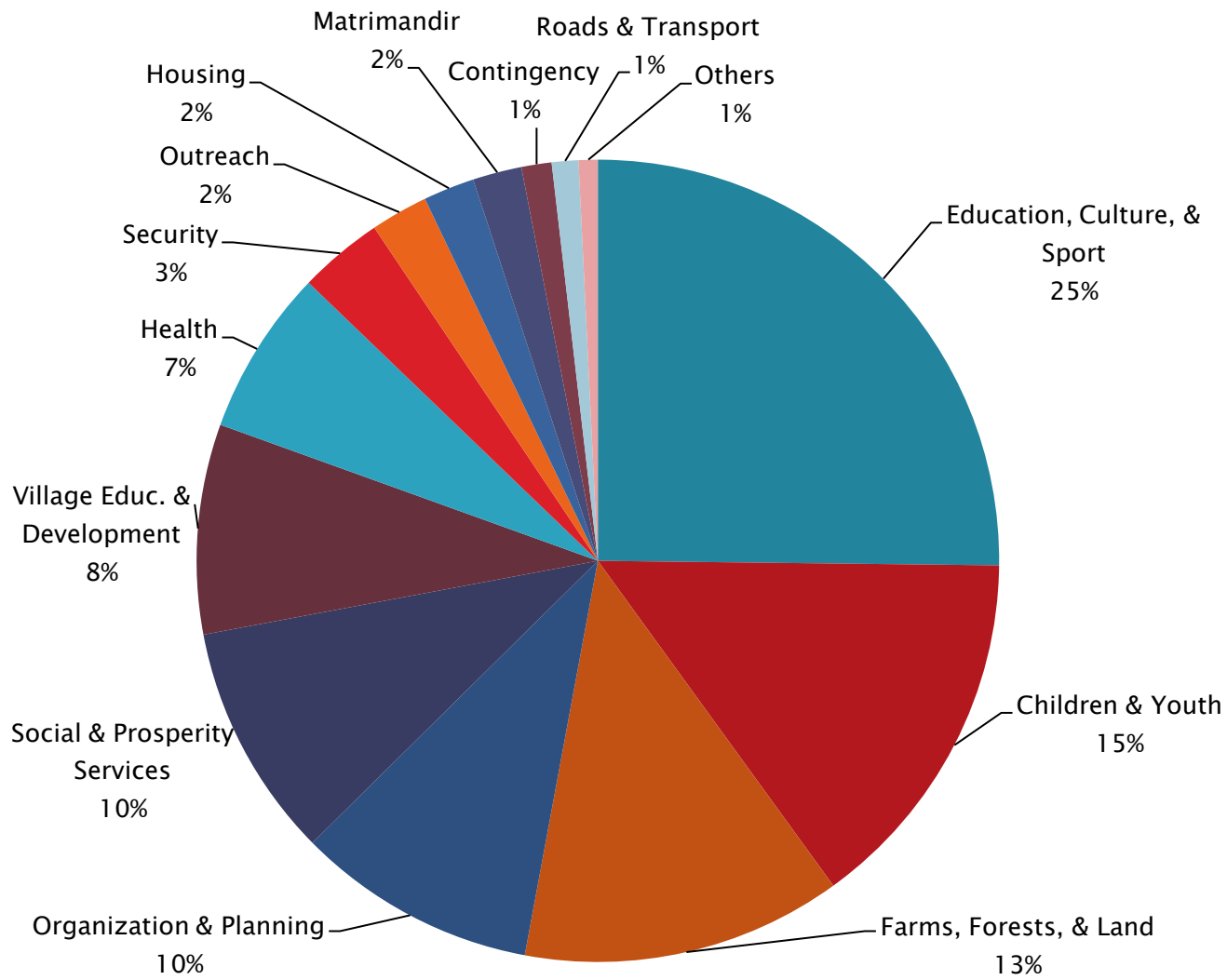
Type	Previous	New	Change	% Change
Cash	2300	2500	200	9%
Kind	3500	3850	350	10%
Pour Tous	1000	1100	100	10%
Health Fund	280	300	20	7%
SK Lunch	860	950	90	10%
Total	7940	8700	760	9.6%

	2010-11	2011-12	Change	% change
No. of Maintenances	442	452	10	2%
Amount of Maintenances (in Rs. Lakhs)	519	582	63	12%

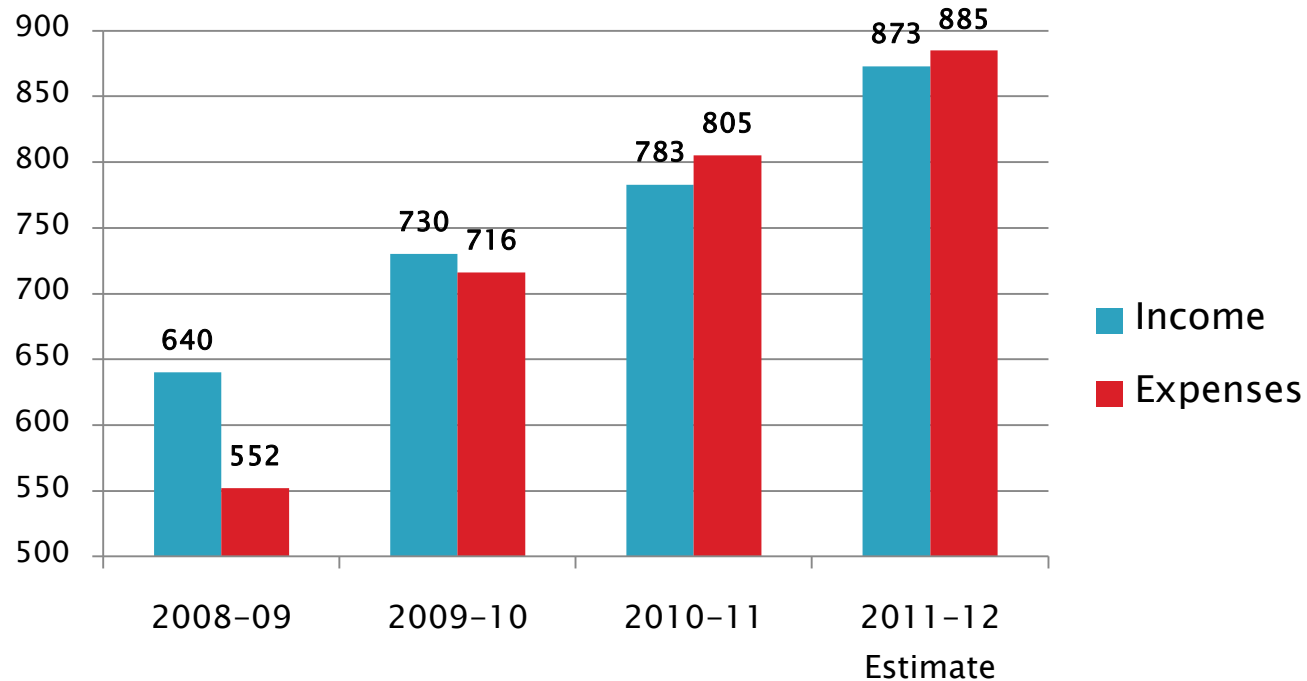
Children’s maintenances were increased by 10%. The new schedule is:

AGE	Cash	KIND	Combined	Eligible for	
				Health Fund	Nandini
0-1	100	800	900	140	0
2-5	100	800	900	140	250
6-11	300	1100	1400	140	300
12-17	400	1400	1800	140	400

Category	Amount
Income	873
Expenses	
Maintenances	582
Recurring	276
Non-Recurring	51
Capital Grants	0
Expenses Sub-total	909
Expected Savings from late implementation	12.6
Expected savings from unused maintenances and no increase to part time maintenances	11.5
Expenses Total	885
Balance (Income less Expenses)	-12



Heading	2010-11	2011-12	Change	% Change	Comment
Children & Youth	106	135	29	27%	Specified funding expected to decline
City Planning	12	3	-9	-74%	GOI funding for L'Avenir
Culture & Sport	37	33	-4	-10%	Varuna Electricity, Reduced Capital Grants
Education	175	196	21	12%	
Farms & Forests	72	84	12	17%	Farm Development Plan
Health	51	61	10	19%	Support to Kailash Clinic
Housing	17	19	1	7%	
Land	27	33	6	22%	Protection of encroached land required
Matrimandir	17	18	1	4%	
Organization	71	85	14	19%	Increased support to Blue Light and HRT
Outreach	21	21	-0	0%	
Projects	2	2	0	9%	
Prosperity Services	39	41	2	6%	
Roads & Transport Services	7	9	2	16%	Road maintenance costs
Security	31	31	0	1%	
Social Services	48	45	-3	-7%	Reduced Capital Grants
Utilities	3	2	-1	-23%	Reduced Capital Grants
Village Educ. & Development	70	77	7	10%	
Gratuity	-	3	3		
Sub-Total	805	898	93	11%	
Contingency	-	11	11		
Total	805	909	104	13%	



In the last four years

Income has increased by Rs 231 lakhs (36%), an average of 9% per year.

Expenses have increased by Rs. 332 lakhs (60%), an average of 15% per year.

Reserves Closing Balance (in Rs. Lakhs)

